



*State of New Jersey*

Chris Christie  
*Governor*

Office of the Attorney General  
Department of Law and Public Safety  
Division of Gaming Enforcement  
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*Lt. Governor*

David Rebuck  
*Director*

January 31, 2013

Joseph Corbo, Esq.  
Vice President  
Legal Department  
Borgata Hotel and Casino  
One Borgata Way  
Atlantic City, NJ 08401

RE: Electronic Check Acceptance; Waiver of Regulations

Dear Mr. Corbo:

By request to the Division of Gaming Enforcement ("Division") dated January 25, 2013, Borgata seeks a waiver of certain sections of *N.J.A.C. 13:69D-1.25* in order to utilize an electronic check cashing system. Specifically, Borgata wishes to be able to cash personal checks for patrons of up to \$5000.00 using a third party vendor called Global Payments. Borgata is permitted by *N.J.S.A. 5:12-101h* to cash personal checks within the casino for purposes of allowing the patron to engage in gaming activity so long as no more than \$5000.00 in total is outstanding at any time. The casino is also required to have internal controls to permit such check cashing and to comply with certain other requirements.

The additional requirements which must be complied with pursuant to the statute (and pursuant to the regulation, which includes the same requirements) are that the check: must be drawn on the patron's bank or brokerage management account; be for a specific amount; made payable to the casino licensee; is dated but not post-dated; and must be restrictively endorsed as being "For Deposit Only."



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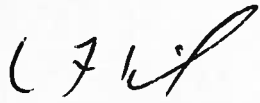
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Borgata proposes to use a third party vendor to convert the patron's check into an electronic transaction. Once the patron has provided access to his or her account, the patron will not need to issue a paper check. The vendor will transmit the information electronically to the patron's bank for collection and will pay Borgata the amount of the check. Should the check bounce, the vendor and not Borgata will have to undertake collection efforts. Borgata pays the vendor a fee for this service. The check is not dated or endorsed as there is no check.

The Division recognizes that modern banking technology has outpaced the requirements of the statute and the regulations. Electronic rather than paper transactions are now the norm. The procedure proposed by Borgata fully complies with the security precautions intended by the statute and regulations. The internal controls provided by Borgata and examined by the Division, specifically the limitation that no patron may have more than \$5000.00 in outstanding obligations via this method at any one time, are acceptable as complying with the intent of the statute and regulations. Accordingly, the Division exercises its authority pursuant to *N.J.S.A. 5:12-75* and *-76* to grant the request of Borgata to proceed with the proposed electronic check cashing procedures. Borgata may proceed with the system pursuant to the internal controls it has created.

Respectfully submitted,

DAVID REBUCK  
DIRECTOR

By:   
Charles F. Kimmel  
Deputy Attorney General

CFK

c: Betty Parker, Borgata  
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